

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. CV 18-09691-RGK (PJWx) Date April 11, 2019

Title ***LEONARD WILLIAMS v. WARNER MUSIC GROUP CORP.***

Present: The Honorable R. GARY KLAUSNER, U.S. DISTRICT JUDGE

Sharon L. Williams

Not Reported

Deputy Clerk

Court Reporter / Recorder

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (IN CHAMBERS) Order Remanding Action to State Court

On October 4, 2018, Leonard Williams, on behalf of himself and others similarly situated ("Plaintiff"), filed a class action against Warner Music Group Corp. ("Defendant"). In his Complaint, Plaintiff asserts state common law claims relating to business arrangements between Defendant and musical artists regarding revenue generated by foreign sales of the artists' works. Specifically, Plaintiff alleges that Defendant engaged in systematic underpayment of revenue to the artists.

On November 11, 2018, Defendant removed the action to this Court alleging federal diversity jurisdiction under the Class Action Fairness Act ("CAFA"). Upon review of Defendant's Notice of Removal and supporting documents, the Court hereby remands the action for lack of subject matter jurisdiction.

Pursuant to 28 U.S.C. § 1332(d)(2), district courts shall have original jurisdiction over any civil action in which (1) any member of the class of plaintiffs is a citizen of a state different from any defendant; and (2) the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs. After a plaintiff files a case in state court, the defendant attempting to remove the case to federal court bears the burden of proving the amount in controversy requirement has been met. *Lowdermilk v. United States Bank Nat'l Ass'n*, 479 F.3d 994, 998 (9th Cir. 2007). If the complaint does not allege the amount in controversy, the removing defendant must supply this jurisdictional fact in the Notice of Removal. *Gaus v. Miles, Inc.*, 980 F.2d 564, 566-567 (9th Cir. 1992).

Plaintiff's Complaint does not allege the amount in controversy. In its Notice of Removal, Defendant merely states that, even with certain limitations on Plaintiff's allegations and legal theories, the allegations regarding underpayments, alone, would exceed \$5,000,000. Defendant then states that any permanent injunctive relief would also, on its own, satisfy the requisite \$5,000,000 amount in controversy. Finally, Defendant states that even if the amount of past and future alleged underpayments totaled less than \$5,000,000, punitive damages and attorneys' fees would push the amount in controversy over the jurisdictional threshold.

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The Court finds Defendant's allegations improperly conclusive and speculative. Defendant has not even attempted to supply a plausible calculation as to the amount in controversy, and instead, relies on general, sweeping statements, not tethered to any facts. Without more, the Court finds that Defendant fails to establish subject matter jurisdiction.

Therefore, the Court finds that it lacks subject matter jurisdiction over this action. The Court hereby **vacates** its Order Re: Defendants' Motion to Dismiss, entered March 13, 2019 (DE 28), and **remands** the action to state court for all further proceedings.

IT IS SO ORDERED.

Initials of Preparer _____ : _____
VRV